

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 01/05 To (mo./yr.) 12/05
2. DOGM File Number (Mine No): M/047/010
3. Mine Name: American Gilsonite Company, Bonanza Mine
4. Mineral(s) Mined (or permitted to mine): Gilsonite
5. Type of mine ☐ Surface Mine or ☒ Underground Mine
6. Legal Description (Location of Lands Affected): See Attachment "A"
1/4, 1/4, 1/4, Section, Township 9S, Range 23E, 24E, 25E
1/4, 1/4, 1/4, Section, Township 11S, Range 24E
1/4, 1/4, 1/4, Section, Township, Range
7. Name of Operator or Company: American Gilsonite Company
8. Permanent Street Address: 29950 S. Bonanza Hwy.
City, State, Zip: Bonanza, Utah, 84008
Phone: 435-789-1921 Fax: 435-789-1956
9. Company Representative (or designated operator):
Name: Jared Jackson
Title: Environmental Coordinator
Business Address: 29950 S. Bonanza Hwy.
City, State, Zip: Bonanza, Utah, 84008
Phone: 435-789-1921 x 415 Fax: 435-789-1956
☒ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☒ No ☐
2. If no - what was the last year of activity? _____
3. If yes - how much ore or mineral was mined? 58,200 Tons

Reviewed
4/12/06
PPH

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4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.
Mining, processing and shipping of Gilsonite.
See 3. for volume of ore mined.
See attached "Disturbed Acreage" maps - Eureka 32,
Wagon Hound 17E, Wagon Hound 18 for new surface disturbances.
5. How much additional acreage was disturbed during the past year? 2.6
6. How much acreage was reclaimed during the past year? 9.0 (Pending DOGM Approval)
7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
The majority of sites to be released this year have just
been waiting for sufficient seed coverage.
There were four new concrete caps placed this year over shafts
in the W.H. 12 area, along with re-grading and seeding taking place.
8. What is the total disturbed acreage of entire project at years end? 90.1 (If all 9.0 acres are released by DOGM)
9. Briefly summarize any mining and/or reclamation plans for the upcoming year.
We are planning on performing reclamation work this coming
year on the Bonanza vein, the B-38 and B-42 areas.
Work to include: cleanup and removal of equipment,
shaft capping, re-grading/surface work and seeding.

NOTE: Section III., "Additional Information" applies only to large mining operations.

III. Additional Information - R647-4-121.2 and .3

1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

Jared Jackson

Title of Operator:

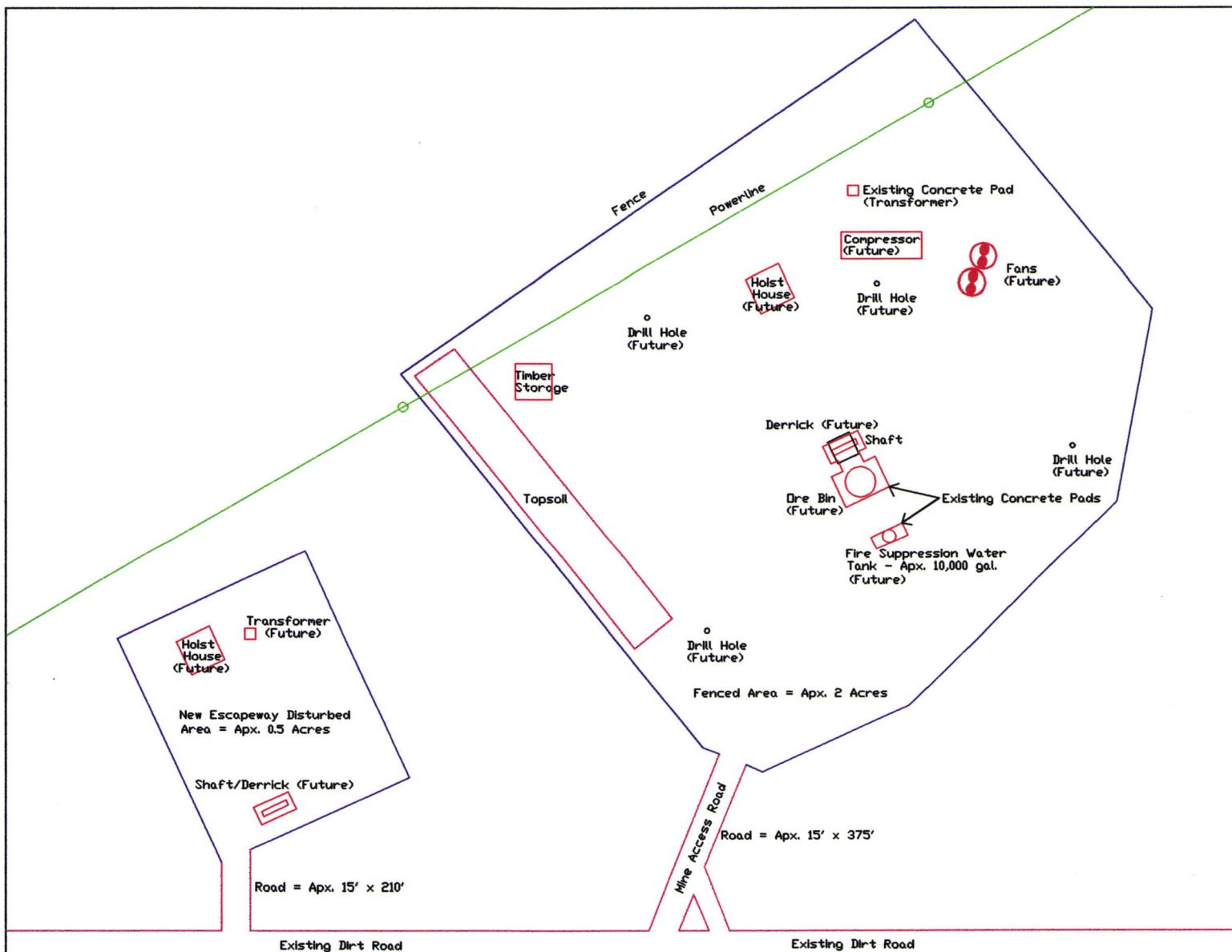
Environmental Coordinator

Signature of Operator:

Jared Jackson

Date:

12/07/05



AMERICAN GILSONITE COMPANY

DATE: 10/18/05

SCALE: NONE

DRAWN BY: JCJ

UPDATED BY: JCJ DATE: 11/23/05

INDEPENDENT 30

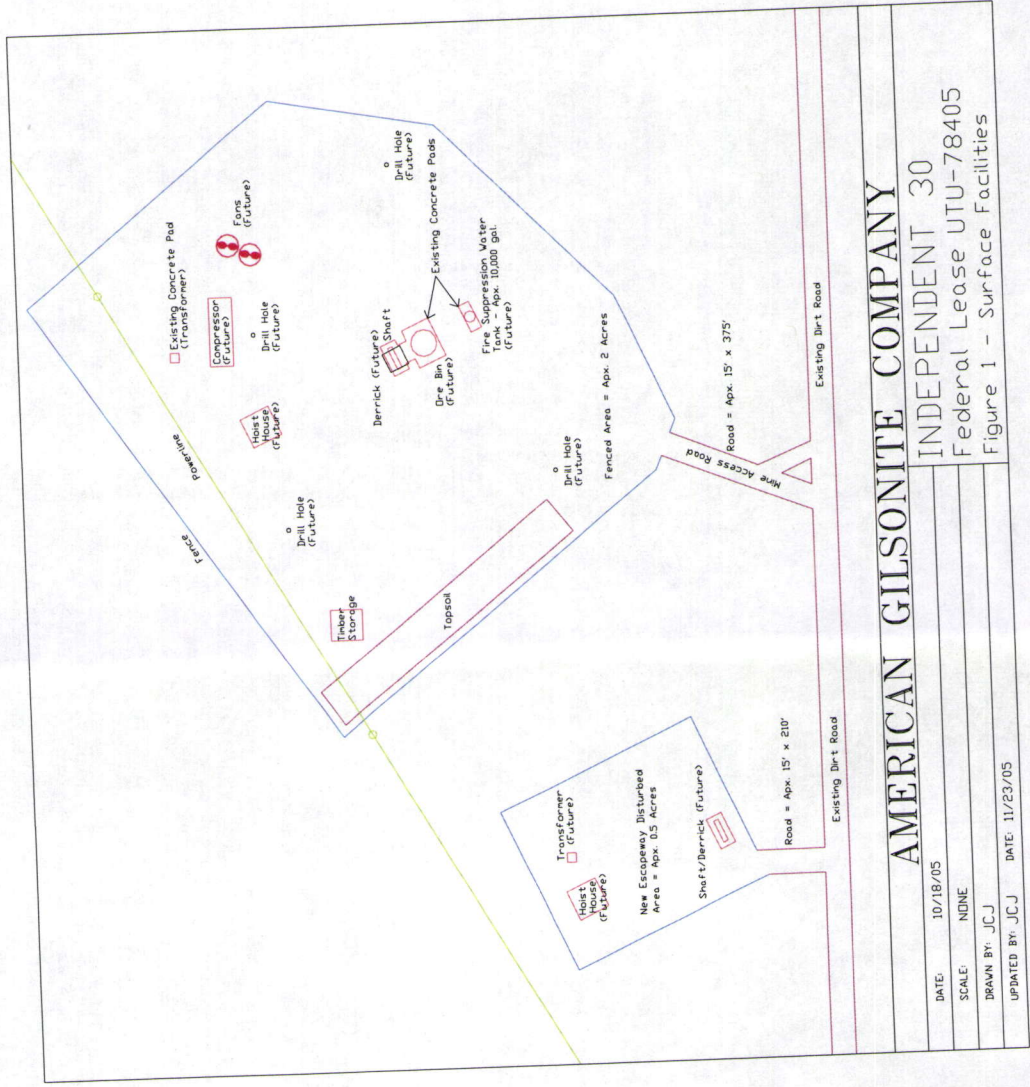
Federal Lease UTU-78405

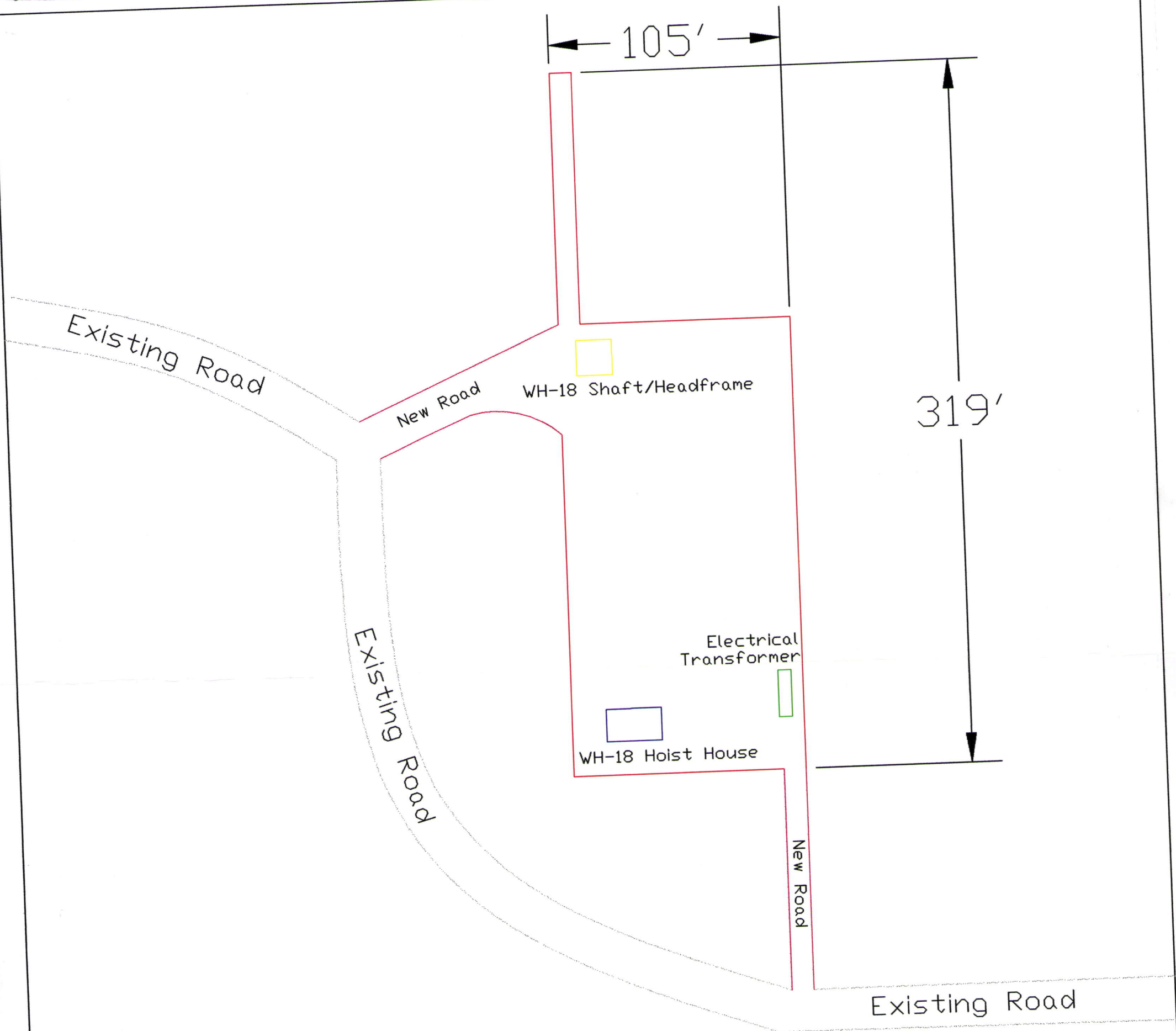
Figure 1 - Surface Facilities

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Disturbed Mine Area = 22,665 sq. ft. = 0.5 acre
Disturbed New Road Area = 4,910 sq. ft. = 0.1 acre

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WAGON HOUND 18
Disturbed Acreage

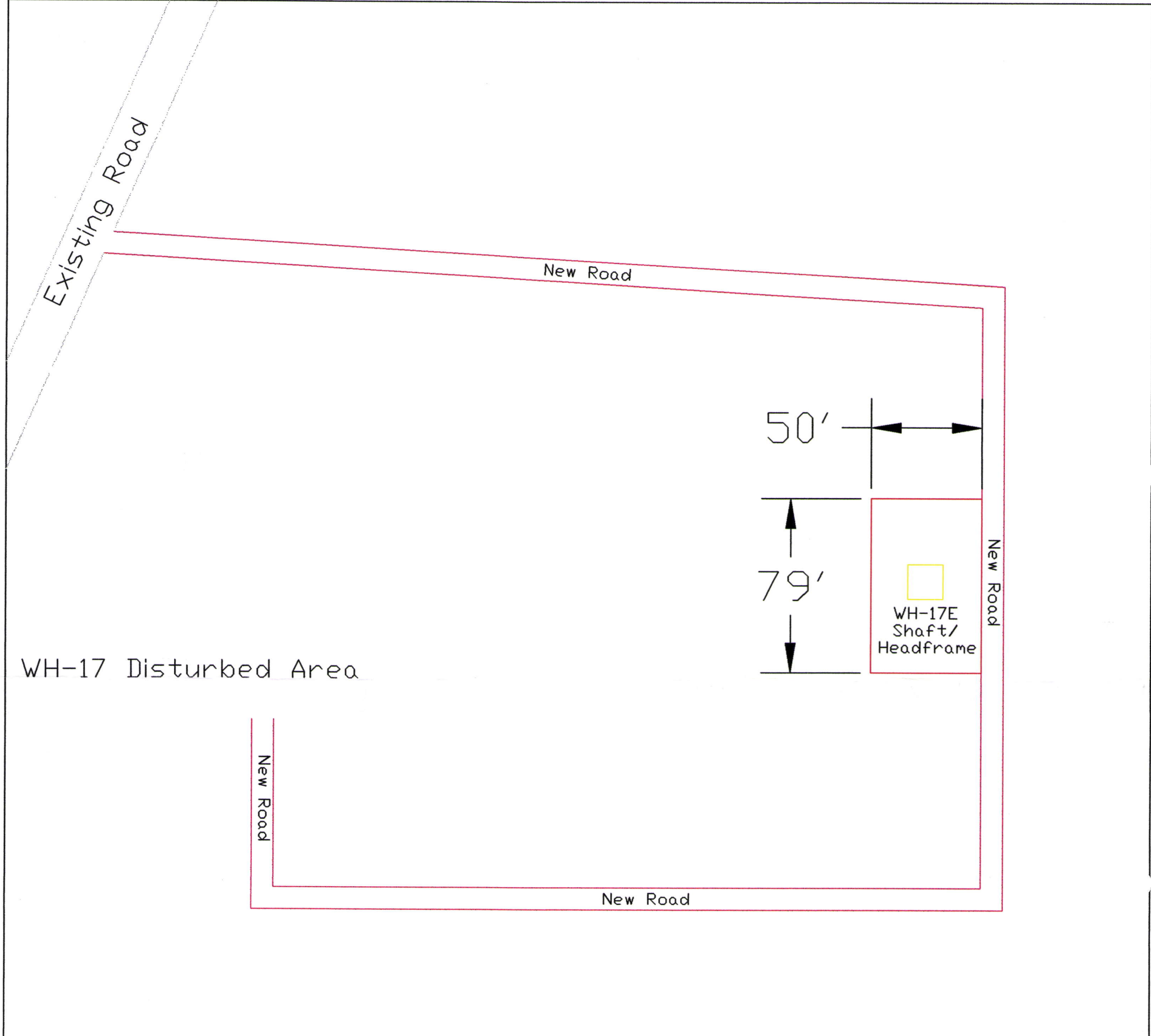
Annual
Report

DATE: 11/03/05

SCALE: NONE

DRAWN BY: JCJ

UPDATED BY: DATE:

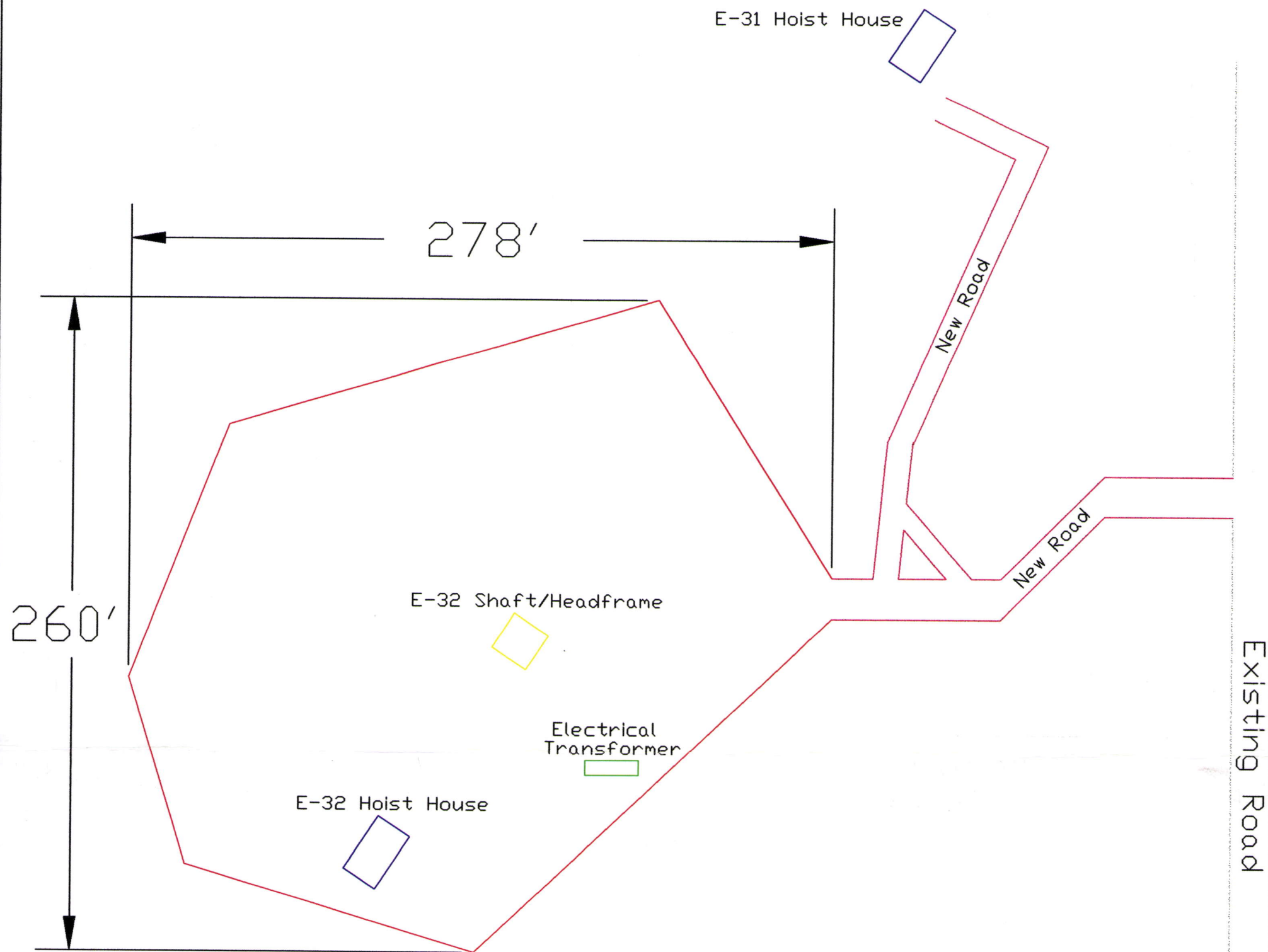


Disturbed Mine Area = 3,950 sq. ft. = 0.1 acre
Disturbed New Road Area = 11,190 sq. ft. = 0.3 acre

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DATE:	11/03/05
SCALE:	NONE
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WAGON HOUND 17E
Disturbed Acreage
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Hwy 45

Disturbed Mine Area = 47,239 sq. ft. = 1.1 acre

Disturbed Road Area = 21,554 sq. ft. = 0.5 acre

AMERICAN GILSONITE COMPANY

DATE: 11/02/05

SCALE: NONE

DRAWN BY: JCJ

UPDATED BY: DATE:

EUREKA 32

Disturbed Acreage